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October 5, 2004

Ref: 2976-22054

Honorable James H. Welch Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-4275

Re:

Hearing Application FF Zone, Reservoir B

LAPEYROUSE FIELD, Terrebonne Parish, Louisiana

Applicant: Castex Energy, Inc.

Dear Mr. Commissioner:

Application is hereby made on behalf of **Castex Energy**, **Inc.** for the calling of a public hearing, after ten days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters regarding the FF Zone, Reservoir B, Lapeyrouse Field, Terrebonne Parish, Louisiana, for which rules and regulations were established and drilling and production units were created by the Office of Conservation Order No. 416-ZZ-1, effective April 6, 2004.

- To permit applicant, Castex Energy, Inc. to drill, designate and utilize Castex Energy, Inc.-Dupont No. 3 Well as an alternate unit well for the FF RB SUA, such well to be at the location shown on the plat attached hereto and made a part hereof;
- 2. To confirm Castex Energy, Inc. as the operator of the FF RB SUA;
- 3. To make a specific finding that such proposed alternate unit well is necessary to effectively and efficiently drain a portion of the FF RB SUA which cannot be efficiently and economically drained by any other well within the unit;
- 4. To grant a single unit allowable for the FF RB SUA and to permit the operator of the unit to produce said unit allowable from the unit well, the proposed alternate unit well, or from both wells at its option;
- 5. To find that, except to the extent contrary to the order granted by the Commissioner of Conservation in connection with the hearing held on this application, the provisions of Office of Conservation No. 416-ZZ-1 shall remain in full force and effect;
- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the sand and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of each reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation, and

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> 7. To consider such other matters which may be pertinent to this application as shown by the evidence presented at the hearing held on this matter.

The FF Zone, Reservoir B, Lapeyrouse Field, Terrebonne Parish, Louisiana was previously defined in Office of Conservation Order No. 416-ZZ-1, effective April 6, 2004.

Attached hereto and made a part hereof is a plat outlining the FF RB SUA, showing the location of the alternate unit well together with a list of the names and addresses of all interested owners, interested parties and represented parties who are known to the applicant after reasonable search. A reasonable effort was made to ascertain the names and addresses of all such parties.

A copy of the list of the names and addresses of the interested owners, interested parties and represented parties is not being mailed to those parties along with this hearing application. Should any of these parties desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Art Christy of W. H. Robbins & Associates, 302 La Rue France, Suite 100, Lafayette, Louisiana 70508, (337) 232-5004.

Finally, there is enclosed our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, which represents the required hearing application fee.

Very truly yours

BJD:ht Enclosures

cc: Mr. Richard D. Hudson

District Manager, Office of Conservation

Interested Parties, Interested Owners and Represented Parties on attached list

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